



# 1102 Task Force Update – COVID-19 Impact on IDD Providers

June 18, 2020

## Impact on the IDD Industry:

- Day Programs closed: Facility-based & community activities shut down concurrent with closure orders;
- Employment: Individuals employed in community work mostly in industries that closed/restricted (e.g. manufacturing, service)
- Stay at Home: Folks at their home or families' homes, driving up needed residential staffing. All w/o adequate funding, in the face of ongoing/existing DSP staffing shortages;
- Family Impact: For individuals living with their families, the family now became responsible for support and supervision for time when the individual would have been at work or day services;
- Staffing Impact: Some day services staff would not accept residential work assignments.

## Increased Costs Due to COVID-19

- Supplies: Increased cleaning costs (e.g. PPE; cleaning supplies; hand sanitizer);
- Operations: Increased costs for technology (e.g. tablets/laptops, tech subscriptions), legal expenses, new policy development, new COVID-19 training implementation;
- Revenue Loss: Services that could not be provided;
- Administrative: Overtime hours costs increased, unemployment insurance costs, new hire training and on-boarding

## **INARF COVID-19 Financial Impact Survey**

- 32 survey responses:
  - Average of 117 days of operating cash on hand (including investments);
  - Average available line of credit was \$1,020,262;
  - Average COVID-19 related expenses of \$14,607 (including expenses for PPE, cleaning agents, additional DSP training hours, technology for virtual meetings and client services, increased food supply, beds, and appliances;
  - Average lost revenue of \$165,335 per month, which represents a 22% revenue loss as a percentage of all typical revenue on average;
  - Average additional direct care staffing costs was \$47,887 per month;
  - Average additional indirect staffing costs was \$9,220 per month;

# The Impact of COVID-19

- Despite significant loss of revenue while continuing to serve Individuals; limited state fiscal relief to-date.
  - Four months of relief, only for day services, via monthly grant program.
  - Residential providers have borne enormous expense (e.g. staffing, overtime, PPE)
- FSSA applied for service delivery flexibility for waiver services:
  - Where services can be delivered (e.g. home vs day service location) or how services can be delivered (e.g. allowing teleservice)
  - All of these flexibilities are temporary and the need for changes and flexibility must have been COVID 19 related
- Projected tax revenues will be materially less than budgeted; budget reductions are in-flight;
- Most of the programs and services provided by INARF members are 100% funded by Medicaid and are 10-12% of Medicaid budget.
- Current environment: Concern for surviving the pandemic

# The Impact of COVID-19



Above: ADEC, Inc. teleservices in therapies and employment supports

Right:  
Benchmark  
Human  
Services  
mask mass  
production



Left and Right:  
New Hope of Indiana  
Day of Caring to show  
love to residential  
clients and staff





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Thank you!

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